

## Fiscal Estimate — 1999 Session

<input checked="" type="checkbox"/> Original	<input type="checkbox"/> Updated	LRB Number	Amendment Number if Applicable
<input type="checkbox"/> Corrected	<input type="checkbox"/> Supplemental	Bill Number	Administrative Rule Number NR 428

### Subject

NR 428 for VOC RACT and 1 Hr Ozone Attainment / Rate of Progress NOx Emission Reduction Program

### Fiscal Effect

State: ☐ No State Fiscal Effect

Check columns below only if bill makes a direct appropriation  
or affects a sum sufficient appropriation.

- |                                                          |                                                     |
|----------------------------------------------------------|-----------------------------------------------------|
| <input type="checkbox"/> Increase Existing Appropriation | <input type="checkbox"/> Increase Existing Revenues |
| <input type="checkbox"/> Decrease Existing Appropriation | <input type="checkbox"/> Decrease Existing Revenues |
| <input type="checkbox"/> Create New Appropriation        |                                                     |

☒ Increase Costs — May be possible to absorb  
within agency's budget.

☒ Yes ☐ No

☒ Decrease Costs

Local: ☐ No Local Government Costs

1. ☐ Increase Costs

☐ Permissive ☐ Mandatory

2. ☒ Decrease Costs

☐ Permissive ☒ Mandatory

3. ☐ Increase Revenues

☐ Permissive ☐ Mandatory

4. ☐ Decrease Revenues

☐ Permissive ☐ Mandatory

5. Types of Local Governmental Units Affected:

☐ Towns ☐ Villages ☒ Cities

☐ Counties ☐ Others

☐ School Districts ☐ WTCS Districts

Fund Sources Affected

☐ GPR ☐ FED ☐ PRO ☐ PRS ☐ SEG ☐ SEG-S

Affected Chapter 20 Appropriations

### Assumptions Used in Arriving at Fiscal Estimate

**SUMMARY OF RULE** - The proposed rule responds to requirements in the 1990 Clean Air Act for RACT on VOC emission sources, for Rate of Progress emission reductions in VOC (&/or NOx) emissions, and for achieving 1 Hr ozone attainment. The rule contains provisions for RACT on industrial cleaning operations and establishes NOx emission reduction requirements for various source categories. The rule makes enforceable NOx testing in the I/M program and emission limitations and combustion optimization for stationary point sources.

**FISCAL IMPACT** - The Department of Natural Resources is expected to incur minimal additional cost to implement and administer the rules. The rules potentially effect 16 corporate sources which may need permit reviews and compliance determinations. It is estimated that up to four major and four minor permit reviews and up to fifteen individual optimization plan reviews may be processed through the department. Compliance determination will be incorporated into current program activities of reviewing annual compliance reports and ongoing site visits. New sources effected by the rule are currently required to obtain a permit and are not expected to incur additional reviews. Although this is an additional requirement, the limits will serve to simplify the permit review for NOx emissions and therefore should add no additional time to the review process. The total estimated impact on Department permitting and compliance resources is approximately one-fifth FTE per year. The reduction in NOx emissions from the rule is not expected to significantly impact the Air Program's emission fee revenues under the current fee structure.

The rule is expected to effect five State and Local government boilers at two facilities: one heating/cooling boiler at the UW-Milwaukee campus operated by the Department of Administration and four electric generating boilers operated by Manitowoc Public Utility (MPU) in Manitowoc. The DOA boiler and three of the MPU boilers are required to perform a combustion optimization procedure for minimizing NOx emissions. This requires an initial expenditure for engineering evaluations, potential modification of boiler equipment, combustion testing, and installation of combustion monitoring equipment.

(continued.....)

### Long-Range Fiscal Implications

Prepared By:	Telephone No.	Agency
Joe Polasek, MB/5	6-2794	DNR
Authorized Signature	Telephone No.	Date (mm/dd/ccyy)